GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:3492
ANSWERED ON:08.08.2017
FDI in Food Processing Industries
Muddahanumegowda Shri S.P.

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether there has been an increase in Foreign Direct Investment (FDI) for the establishment of Food Processing Industries (FPIs) in the country and if so, the details thereof;

(b) whether there is any impact of this investment on the growth of FPIs and if so, the details thereof; and

(c) whether the Government has formulated any special scheme to encourage/boost FPIs in various parts of the country and if so, the details thereof?

Answer

(a): According to the data provided by the Department of Industrial Policy and Promotion (DIPP), the food processing sector in the country has received US$ 727.22 million worth of Foreign Direct Investment (FDI) equity inflows in 2016-17 as compared to US$ 515.86 million in 2014-15. Further, investment proposals worth Rs. 3764 crore have been approved for 100% FDI for retail trading of food products manufactured and/or produced in India during current year.

(b): As per the latest Annual Survey of Industries conducted by Central Statistics Office, Ministry of Statistics and Programme Implementation, the number of registered food processing units has increased from 35,838 in 2010-11 to 38,608 in 2014-15 and employment in those factories has increased from 16.62 lakh to 17.73 lakh during the same period.

(c): The Ministry of Food Processing Industries has been implementing various Central Sector Schemes for promotion and development of food processing sector in the country. The Ministry of Food Processing Industries has re-structured its schemes under the new Central Sector Scheme of "KISAN SAMPADA YOJANA" having seven components viz. (i) Mega Food Park; (ii) Integrated Cold Chain and Value Addition Infrastructure; (iii) Infrastructure for Agro-Processing Clusters; (iv) Creation of Forward and Backward Linkages; (v) Creation/ Expansion of Food Processing & Preservation Capacities; (vi) Food Safety and Quality Assurance Infrastructure; and (vii) Human Resources and Institutions. The KISAN SAMPADA YOJANA has been approved with an allocation of Rs. 6,000 crore for the period 2016-20 co-terminus with the 14th Finance Commission cycle to promote food processing in the country.

Farmers, Farmers Producer Organizations, Entrepreneurs, Co-operatives Societies, Self Help Groups, Private Companies and State PSUs etc. are eligible to avail financial assistance under these schemes for setting up food processing projects in the country.